



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

ANDY DILLON
STATE TREASURER

MINUTES OF THE MEETING OF THE STATE TAX COMMISSION

***Lansing Center, Meeting Room 201
333 East Michigan Avenue
Lansing, Michigan***

***Tuesday, June 4, 2013
9:00 a.m.***

***PRESENT: Douglas B. Roberts, Chair STC
Robert H. Naftaly, Member STC
Barry S. Simon, Member STC

Kelli Sobel, Executive Secretary
LaNiece Densteadt, Recording Secretary***

The item numbers referred to in the minutes correspond to the agenda items as numbered.

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the minutes of May 28, 2013. (Item 1 on agenda)

STATE ASSESSED PROPERTY APPEALS (Item 2 on agenda)

Allband Communications Cooperative

Micheal Matheson and Ron Siegel appeared on behalf of Allband Communications Cooperative. Allband discussed the fact that they are a cooperative and are not producing much income. They asked for reductions in their 2013 true cash value.

Soo Line Railroad Company

Mark Hilpert from Honigman Miller Schwartz appeared representing Soo Line Railroad Company. Mr. Hilpert indicated that Soo Line would like to preserve their right to appeal for 2013.

Frontier Phone Company

Mark Hilpert from Honigman Miller Schwartz appeared representing Frontier Phone Company. Mr. Hilpert indicated that Frontier Phone Company would like to preserve their right to appeal for 2013.

Century Link

Tom Vibber appeared on behalf of Century Link. Mr. Vibber discussed his concerns regarding use of historic costs and asked to be allowed to use rebooked costs.

TDS etc

Bruce Dickson and Paul Bellon appeared on behalf of TDS. TDS is requesting valuation reductions due to reductions in revenue and income.

Recognition of Barb Duncanson:

Ms. Sobel spoke regarding Barb: Before we move to our graduation ceremonies today I want to take a moment on behalf of the State Tax Commission recognize an employee who we think of as a true unsung hero. This employee “touches” each assessor’s life each and every year and really does an outstanding job for the Commission. That employee is Barb Duncanson. I want to tell you just a short story about why we wanted to recognize Barb’s outstanding work and this story really defines who Barb is as an employee. Who here is a certified personal property examiner? I am sure you all noticed that your certificates expired December 31, 2012 and you did not receive your new certificate until the end of January 2013. We had a bit of an issue with the renewal program. Nancy and Kyle and I were simply overwhelmed with everything else we have going on during that time of the year and were literally lost on what to do to solve the problem and of course like any other problem it seemed to grow exponentially each and every day.

One morning we came into work and I had an email from Barb that simply said, I will do it, I will take over PPE for you. Barb had already picked up significant additional responsibilities for our educational programs in the past year, but she offered to step up and not only help us out but completely take over the program. We were just overwhelmed that she would do this for us. Of course, we ran as fast as we could to her office to drop off all the “problems” and within a week she not only had the entire program straightened out but had completely organized the entire program. This really defines Barb. She is the most organized person that I know and she is always willing to step up to help her co-workers.

We know it is not much, but Barb we wanted to give you this certificate of appreciation to thank you for what you do for the Commission each and every day.

Michigan Advanced Assessing Officer Graduation (Item 3 on agenda)

Ms. Sobel spoke regarding the MAAO program: First, we want to recognize the students from the very first graduating class for our Advanced Assessing Officer Program. Although they have already received their certificates, we wanted an opportunity to publically recognize their accomplishments in this program. The Advanced Level program development was very difficult for us. We began the program a year later than all of our other programs for a couple of reasons, but one big one was that we were struggling with the format for the program. While we knew that the program was a one year program and what topics the students would focus on, we could not settle on the format for the program. Even up to a month before the program was to begin, we did not have an outline or format for the first semester. We were getting desperate, even beginning to think about ways to allow these students to obtain their Advanced Level certification without actually going through the one year program.

One morning, I woke up and knew what the basic outline should be. I ran into the office that morning and told Nancy, I've got it – I think her comment was something like “sure you do”. But by noon that day with a lot of discussion and reworking, we had what we believed was the perfect balance for this program between the entry level program and the Master Level Program.

The program requires on-line postings similar to the entry level program and assignments (including some field work and writing assignments) like the Master Level program. There are also quizzes and an exam at the end of each semester. At the middle of each Semester the students meet here in Lansing for a day-long session with their instructor for that Semester. I believe most of the instructors are here today and I would like them to stand up: John Awrey, Laurie Spencer, Ed Vandervries, Pete Arbour and Aaron Powers. Thank you for all of your hard work during the past year.

The program concludes with an oral exam. During this oral exam, the students must make a presentation about their thoughts regarding their efforts in the program, how they have grown both as an assessing officer and an individual, and what they learned throughout the year long program. It was a particularly poignant moment to listen to the students discuss their experiences because the day before the oral exams, I had received – at my home – a particularly disturbing piece of anonymous hate mail regarding the Commissions educational programs. Listening to these students discuss how much they had learned and how much confidence they had gained made us realize that neither the relentless negative attitude of a few individuals nor anonymous hate mail can take away from what the Commission has accomplished over the past 3 years improving assessor education or what these students have accomplished in this program and our other educational programs.

Congratulations to each and every one of you.

Chairman Roberts stated the following: Congratulations! Let me make it very personal, it is my privilege to serve on the State Tax Commission and in my opinion the single most important function of the State Tax Commission is to do the best job we can at setting up a process to provide fair and equitable assessing. It begins with the assessor; it begins with you, all I can tell

you is thank you for your willingness to be part of the process to provide fair and equitable assessing and thank you for willing to be part of a process and continue to upgrade the professionalism of the assessing process. Thank you and congratulations!

Commissioner Naftaly stated the following: It is hard to add anything to what Doug said I will say Amen! I appreciate all of you taking the time to go through these courses. We did find through the years and sensed that there was a problem in the quality out there and this is certainly one of the ways to increase the quality of assessing and everyone is treated fairly. I would add my congratulations to all the graduates and my thanks to all the teachers as well.

Commissioner Simon stated the following: I would like to say congratulations to all the graduates and encourage advanced level graduates to pursue the master assessor level and also thank all the panel members and instructors because without them we wouldn't have these programs. So I appreciate all your time and effort and congratulations again to all of you.

The following students received their Michigan Advanced Assessing Officer Diplomas:

Gail Dolbee
Justin Sears

Heather Graham
Dulcee Storch

Michigan Master Assessing Officer Graduation (Item 4 on agenda)

Ms. Sobel spoke regarding the MMAO Program: Today we will ask the Commission to approve 4 new Master Level Assessing Officers – our 2nd graduating class. We officially had 14 students begin the program (we accepted 21 into the program and 7 dropped out before the program began) and 4 students successfully completed the program.

While we retained the same basic format as the first year's program, this class was very different from the first class in many ways. The first class had more individuals who had attempted a narrative under the "old" format and therefore had a bit more experience. This class had to work a bit harder in some respects since they did not have that frame of reference from the old program.

These students prepared the equivalent of a narrative appraisal – broken down into four case studies, completed 16 assignments, wrote 5 thesis papers and suffered through the dreaded oral exam. All of this under the watchful eyes of their panels who I would like to stand and be recognized. Panel 1: Lisa Hobart, Bob Brandmier and Mike Galligan and staff to Panel 1 Nancy Armstrong and Panel 2: Dave Hieber, Mike Lohmeier and Dwayne McLachlan. Thank you for all your hard work during the past year.

Before we get to the very formal part of the graduation, it has become tradition for Nancy and I to give out a couple of awards to each Master Level graduating class. This year we have two very special awards to give out and of course, there is a story that goes along with each award.

First, students in the program submit their case studies each semester and then they have a chance to correct problems in those case studies and resubmit to improve their grade up to 90%

of the original total possible points. However in order to resubmit the student must in some way highlight the changes that were made to the original submission. One of our students spent considerable time rewriting one of his case studies only to realize he had not highlighted his changes. In a bit of a break from tradition, this award goes not to the student but to his wife who read both versions side by side and noted each individual change so he could turn in the highlighted version. The Superior Proof Reader award goes to Nancy Meyaard, wife of Tony Meyaard.

For our second award, I need to give some background. While the State of Michigan and Treasury in particular has fairly intense computer security and a strong firewall, we do receive a lot of spam or pfishing email. Students in all of our educational programs use our online classroom through Moodle. Students are required to fill out a profile on Moodle including uploading a picture. By sheer coincidence, at the same time the Master Level Students were uploading their pictures and profiles, one of our students – who happens to work for the State – was the subject of a pfishing email. I will just say that I believe most of the staff are still laughing over the email which began with something like: Schnelley oh my Schnelley and discussed in some detail his picture and the things that could be done with his picture. We want to present Tim Schnelle with the most photogenic award for surviving the Schenelley oh My Schnelley incident.

It is my extreme pleasure on behalf of the panel members and Nancy Armstrong to ask the State Tax Commission for a motion to formally approve: Anthony Meyaard, Tim Schnelle, Ruth Scott and Tyler Tacoma as Michigan Master Assessing Officers.

It was moved by Roberts, supported by both Naftaly and Simon, and unanimously approved the following individuals to receive Michigan Master Assessing Officer Certification.

Anthony Meyaard
Ruth Scott

Tim Schnelle
Tyler Tacoma

Chairman Roberts stated the following: You are the leaders and people will look up to you. Congratulations and I am very, very proud of you.

Students were issued diplomas and certificates and Mr. Tim Schnelle was named the Class Valedictorian.

Public Comment (Item 4 on agenda): No member of the public wished to comment.

The next Commission meeting will be held June 11, 2013 at the Lansing Center in the Governor's Room, 333 East Michigan Avenue, Lansing.

It was moved by Roberts, supported by Naftaly, and unanimously approved to adjourn the meeting of the State Tax Commission at 10:00 a.m.

DATE TYPED: June 4, 2013

DATE APPROVED: June 11, 2013

Douglas B. Roberts, Chair
State Tax Commission

Robert H. Naftaly, Member
State Tax Commission

Barry N. Simon, Member
State Tax Commission